brakers on the national highways. Whenever we develop these roads, we are requesting them not to put speed-brakers because the heavy vehicles face problems. In spite of writing repeatedly way why it is happening is because of local pressure. Most of the roads which are converted into State Highways are passing through villages. Most of the villagers are raising a hue and cry due to certain small accidents. So, they are developing this kind of speed-brakers on roads passing through the villages. Another reason why the village people want speed-brakers is to stop the buses passing by because many of the buses do not stop in the villages. For that they are putting speed-brakers and somehow see to it that the buses stop there. This is the reason why the speed-brakers are there and not any other reason. I have taken note of all these things and have written letters to the various Ministers to see to it that speed-brakers are removed. Otherwise, we will go to the extent of putting some condition that unless they are removed, we will not give them grants. That is another way of tackling this issue. The second thing regarding allocation of funds for maintenance of national highways is that we are trying to create more funds to see it that the standard is maintained according to the criteria. But internationally we cannot quote for the national highways but the expressways can have international support. For expressways, you get a lot of funds. We are finding various sources. We are also seeing to it whether it is possible to raise funds through private BOT schemes. We are making all attempts to develop the roads according to international standrads.

* 22. *[The Questioner (SHRI MUNAWAR HASAN) was absent. For answer vide col. 29 infra.]*

Outstanding dues of SEBs towards N.T.P.C.

*23. PROF. VIJAY KUMAR MALHOTRA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that various State Electricity Boards have to clear their outstanding dues payable to N.T.P.C.;

(b) if so, the details of such outstanding dues, State-wise any yearwise; and

(c) the action proposed to be taken to ensure that these outstanding dues are paid to the N.T.P.C. within a time frame?

THE MINISTER OF POWER (SHRI P.R. KUMARAMANGALAM): (a) to (c) A Statement is laid on the Table of the House.

Statement

(a) Yes, Sir.

(b) The total outstanding dues payable by State Electricity Boards to NTPC as on 31st March, 1996, 31st March, 1997 and 31st March, 1998 are Rs. 4047.96 crores, Rs. 4824.32 crores and Rs. 6881.95 crores respectively. The details are at Annexure-*[See Appendix 185, Annexure No. 4]* The total outstanding dues as on 31.10.1998 are Rs. 8883.70 crores. The Statewise details are given in the Annexure *[See Appendix 185, Annexure No.]*

(c) The NTPC Management is pursuing the recovery of dues with the concerned SEB/State Government. The position is also reviewed periodically by Ministry of Power and the matter is taken up at the level of Chief Secretary/Chief Minister. There is also a dispensation under which dues ass on 31.12.1996 are being recovered directly by Minsitry of Finance through Central Appropriation and paid directly to NTPC. A proposal for securitization by deduction 30 per cent of Central Plan Assistance to States for liquidating the dues payable to Central Public Sector Power Utilities is also under consideration.

प्रो० विजय कुमार मल्होत्रा: महोदय, कुल मिलाकर स्टेट इलैक्ट्रीसिटी बोर्ड का करीबन आठ हजार करोड़ रूपया एन०टी०पी०सी० की तरफ ड्यू है। मैं मंत्री महोदय से जानना चाहता हूं कि यह रूपया जो ड्यू है, इसमें

सभी जगह पर ट्रांसमिशन लॉसिस, पिलफरेज और पावर लॉसिस का स्टेट इलैक्ट्रीसिटी बोर्ड के घाटे के अंदर कितना बड़ा हाथ है और क्या इसको रोकने के लिए कुछ विशेष कदम उठाए जा सकते हैं?

SHRI R. KUMARAMANGALAM: Mr. Chairman, Sir, it is a fact that transmission and distribution losses are one of the major reasons and causes for the high losses in the SEBs. But it is also true that quite an extent of the losses is connected to non-rational tariffs. In fact, the average tariff at the national level works out to about Rs. 1.50 while the average production cost plus supply cost works out to around Rs. 2. In fact, we have a situation where for every additional unit of power that we generate today, we are losing about 50 paise per unit when we supply that power. The national average of T&D loss works out to around 22 per cent, a little below 22 per cent. It is on a higher side by the international standard. We do have a lot of theft of power but that is in isolated, high concentration population areas. SEBs are taking steps including introduction of some new technologies that they have been exposed to. In the last six months we had a number of meetings where SEBs had been exposed to new technologies where energy audit meters, the manners in which remote metering can be done, the manner in which we can trace out to a very local point where the theft is taking place and the actions to be taken. Statutorily, provisions exist. Legally, the law authorises them to take a very strong action. But there are social problems. It is not a matter that can be sorted out overnight. We had this problem for over a decade where SEBs have been finding difficulties in actually implementing the law so far as theft of power is concerned. There is both local influence and resistence, at the same time because in a democratic society where you find there arises resistance, quick movement becomes difficult. However, in the recent past, I must say, Sir, hon. Members of Parliament of this House as well as of the other House have helped me a lot in terms of actually assisting the SEBs to move quickly in the matter of reducing theft as well as in the matter of reducing T&D losses. I have seen the reduction even in the last six months in terms of percentage. But I would expect that over the next couple of years this would improve vastly and thereby improve the health of the SEBs.

प्रो॰ विजय कुमार मल्होत्रा: महोदय, मंत्री महोदय ने कहा कि 6 महिने में कुछ कम हुए हैं, 1996 में ड्यूज़ 4000 करोड़ थे, 1997 में 6800 करोड़ हुए और अब हैं 8800 करोड़ रुपए। तो बहुत ही चिंताजनक स्थिति है और उसमें केवल मात्र कुछ राज्यों की बिजली काट देने से या प्लान के फंड्स में से 30 परसेंट काट देने से प्लान का इम्प्लीमेंटेशन नहीं होगा। अगर प्लान मनी काट दी जाएगी तो विकास के काम रुक जाएंगे और बिजली से जनता को बहुत कष्ट होगा। तो क्या वह सभी प्रदेशों के मंत्रियों को — क्योंकि यह एक प्रदेश का मामला नहीं है, सभी राजनैतिक दलों के द्वारा चलाई जा रही यह सरकार है और सबके अंदर यह ड्यूज़ हैं — तो क्या सभी मंत्रियों को बुलाकर एक सामुहिक नीति बनाने का विचार आप करेंगे जिससे यह ठीक प्रकार से काम कर सके? क्या इसको प्राइवेटाइज़ करने से सुधार हो सकता है और इस संबंध में आपकी क्या नीति है?

SHRI R. KUMARAMANGALAM: I am grateful to the hon. Member for having raised this question. It is true that reducing T&D losses dosen't necessarily mean that dues get paid, and the dues are so large, not just to NTPC itself, which are about Rs. 8,800 crores, but if one looks at the outstandings to all the public sector units, it becomes much more. If one looks at the losses, all the SEBs put together have reached almost twenty thousand crores in terms of the loss situation. Mearly going in for Plan reduction or disconnection of power is not going to be the answer. I agree with him and it is against this background that a meeting of the Chief Ministers and the Power Ministers of the States has been called on the 18th of this month and one of the major topics that is coming up in that meeting would be how to handle the

financial situation of SEBs and the restructuring of the SEBs.

SHRI N.K.P. SALVE: Sir, I sympathise with him so far as this is concerned. The difficulty arises primarily because the State Electricity Boards want to give all sorts of concessions *inter alia*. They do not want to pay the NTPC' dues. At the same time, they want to give free power to certain sections of the society. May I know from the Minister whether he has evolved any Plan for collection of these dues. This massive amount of Rs. 8,883 crores? In the private sector, any power producer would have gone into liquidation. It is only the NTPC, with its vast resources and the Government support, that has been able to carry on with this kind of outstandings Have you evolved a plan of ensuring that the SEBs, on the one hand, do not pay you and, on the other hand, keep on giving free power?

The second part of my question is: What have you done to ensure that hereafter the arears do not go on mounting?

SHRI R. KUMARAMANGALAM: Mr. Chairman, Sir, my good friend, the hon. Member of Parliament, Shri Salve, has been Power Minister and I am grateful for the sympathy because he had also gone through the same situation, I suppose. But the situation has improved sligtly, essentially because there is now a realisation that this cannot go on endlessly. We have taken multiple steps. The first is that we are insisting on Letters of Credit to cover the full amount of power that is consumed on a monthly basis. Most of the SEBs have increased their Letters of Credit to cover the amount of power that they purchase from the NTPC. Secondly, the hon. Finance Minister had during his Budget speech categorically assured that he would give us the Government guarantee to securitise these outstandings so that the NTPC or other public sector units do not go into a near winding up situation because of the outstandings. We are in the process of working out the Special Purpose Vehicle for ensuring that the past dues are converted into a securitised situation where those bonds can be encashed by the NTPC.

With regard to the financial discipline, we have been very firm about it. There are, in fact, detailed steps which have been taken to ensure that if an SEB does not keep its commitment as per its commercial agreement or the Power Purchase Agreement, then power would not be supplied to them. And when power is not supplied, they will have to discipline their consumption patterns because there is no way in which endlessly we can continue to give credit and not have payments made. I think that is the most important thing on which the whole controversy arises, whether we can switch off power when somebody dosen't pay. According to me, that is something on which our Government has taken a very firm stand and it has not been too welcomed by some people. But it is necessary to bring in financial discipline and I seek the support of the House for this because, otherwise, we would reach a stage where we would not have power. We would have just no power. You have to pay for the coal. You have to pay for the services. You have to pay back your debt. Unless you do this, we will have a situation where we will have greater and greater shortage. Today we are 18 per cent short on peaking power; nearly 10 per cent short on base load. How and why will anybody invest to increase the generation capcity unless the bills are paid?

SHRI NARENDRA MOHAN: Mr. Chairman, Sir, the financial condition of the State Electricity Boards is very bad.

MR. CHAIRMAN: You put a pointed question, not a detailed one. They know the details.

SHRI NARENDRA MOHAN: I am coming to that. Whatever he has said, it only peripherally tries to solve the

problem. The question is whether the State Electricity Boards are going to create a situation by themselves to raise their revenues to some extent. Statutorily, Sir, they have to give a return of minimum three per cent, and no State Electricity Board is giving that return. They are minus 28 per cent. Under these circumstances, it is practically impossible for the SEBs to pay the bills of NTPC. The NTPC can cut the power for some short time all right, but it cannot politically cut the power permanently either to Bihar or to West Bengal or to Uttar Pradesh. For example, you take the case of Delhi. As per this report, Dehi has to pay Rs. 1,740 crores to NTPC.

MR. CHAIRMAN: Mr. Narendra Mohan, put a specific question.

SHRI NARENDRA MOHAN: The question is, what is he going to do to restore the health of the SEBs, and why are the statutory obligations not being met by these boards?

SHRI R. KUMARAMANGALAM: Sir, what the hon. Member has said is correct, that 3 per cent ROR, *i.e.*, return on the total investment is supposed to have been a statutory necessity. It is not true that no SEB maintains it. There are over five of them who are well above 3 per cent. I must point it out that even in Tamil Nadu where free power is given to agriculturists, they have a 5.9 per cent ROR which is almost twice what is statutorily required and which is reasonably good return essentially because the State gives cash subsidy to the SEB for the amount of power that is given free to the farmers. So, ultimately there is nothing wrong in public interest to help the needy, but there must be money to help. Even a gift given by the State must be purchased. The SEBs cannot finance public interest beyond the level of cross-subsidy. Today we have reached a stage where the industrialists prefer captive power because captive power is now tending to be half of the cost of power purchased from the grid. We need to understand that. We need to balance all this. There must be money to back what we say. There cannot be ~~any~~ free lunch anywhere and all lunches are paid by somebody. I may take it free, but somebody has paid for it,and that is the situation which we need to realise. I can say this much that many SEBs have taken steps for restructuring; some of them have gone about it very seriously. Most State Governments have realised that they will have to financially ensure that many of the public interest directives of lower tariff are subsidised by State Budgets. We have also seen restructuring in Orissa, Haryana and Andhra Pradesh. Eleven States have moved in to appoint the SERCs. They are in the process of selecting their SERCs. They are in the process of selecting their SERCs, *i.e.*, State Electricity Regulatory Commissions. ...*(Interruptions)*... No, they are statutroy. They are under the Act which has been passed by both the Houses of Parliament. The fact is, Sir, they are alive. I must say there is a conscious feeling and it is for this reason that we are having this meeting on the 18th so that we could consolidate the whole approach. What is today really a problem in the power sector is the financial position of the SEBs, and I do believ that everybody is conscious of it. It is the first step. As long as we admit that that is the problem, I think the problem is always resolvable.

MR. CHAIRMAN: Miss Saroj Khaparde. Put specific questions.

MISS. SAROJ KHAPARDE: Thank you very much for giving me an opportunity and I would, definitely, put a specific question on the subject. Sir, the outstanding dues to NTPC, as on 31.10.1998, are very high, Rs. 8,883.7 crroes. I would like to know whether the Government have ever gone into the reasons for accumulation of such large dues to the NTPC. Sir, I would also like to know by when the Govenrment expects these dues to be cleared.

SHRI R. KUMARAMANGALAM: With regard to outstandings, Mr. Chairman, Sir, as I said earlier, we have a programme of securitisation. When we securities it, that will be a period for which those bonds would be there, maybe, for ten years, may be, twelve years. These outstandings will be got cleared over that period of time from the point of view of totally settling the accounts. But, from the point of view of the NTPC, it is cleared the moment we receive a negotiable bond. These will be soon settled. That is why we are concentrating on ensuring that current dues are payable and LCs are updated to cover the current dues.

"फेरा" को "फेमा" से बदले जाने का प्रभाव

*24. **प्रो॰ रामगोपाल यादव:**
श्री रमा शंकर कौशिक: †

क्या **वित्त** मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि विदेशी मुद्रा विनियमन अधिनियम (फेरा) के स्थान पर विदेशी मुद्रा प्रबंधन अधिनियम, 1998 (फेमा) के आने से विदेशी मुद्रा के गबन में संलिप्त व्यक्तियों का मनोबल बढ़ा है तथा इसके परिणामस्वरूप विदेशी मुद्रा के गबन के मामलों में वृद्धि हो जायेगी;

(ख) क्या यह भी सच है कि "संवेदनशील" तथा "अति-संवेदनशील" मामलों की जांच "फेमा" के तहत होगी; और

(ग) यदि नहीं, तो विदेशी मुद्रा के गबन में संलिप्त व्यक्तियों के खिलाफ कार्रवाई करके गबन को रोकने तथा संवेदनशील एवं अति-संवेदनशील मामलों की जांच कराने के लिए सरकार क्या तरीका अपनाने का विचार रखती है?

वित्त मंत्री (श्री यशवंत सिन्हा) : (क) जी, नहीं।

(ख) और (ग) गबन के मामलों पर सामान्य आपराधिक कानूनों के अन्तर्गत कार्रवाई की जाती है और यहां तक कि विद्यमान "फेरा", 1973 और प्रस्तावित विदेशी मुद्रा प्रबंध विधेयक, 1998 के अन्तर्गत विदेशी मुद्रा के गबन के पहलू पर नजर रखने और उन पर कार्रवाई करने हेतु ऐसा कोई उपबंध विद्यमान नहीं है।

इसके अतिरिक्त, "फेमा" के प्रवृत्त होने के पश्चात होने वाले अतिक्रमण/उल्लंघन "फेमा" के उपबंधों के तहत शासित होंगे। यद्यपि "फेमा" के प्रवृत्त होने के पश्चात् "फेरा" को निरस्त कर दिया जाएगा फिर भी विदेशी मुद्रा प्रबंध विधेयक के खंड 49(3)(क) में प्रावधान है कि उस अधिनियम के प्रचलन के दौरान निरस्त अधिनियम के अपराधों/उल्लंघनों को, यह मानते हुए कि वह अधिनियम निरस्त नहीं हुआ है, निरस्त अधिनियम के उपबंधों द्वारा ही शास्ति किया जाएगा। इस प्रकार, विधेयक के विद्यमान उपबंधों के अनुसार "फेरा" के प्रचलन के दौरान हुए उल्लंघनों के मामले, चाहे वे संवेदी रहे हों अथवा "अति संवेदनशील", उन्हें "फेरा" के उपबंधों के तहत विनिपमित किया जाएगा और "फेमा" के प्रवृत्त होने के पश्चात होने वाले आपराधिक मामलों को "फेमा" के उपबंधों द्वारा ही विनियमित किया जाएगा।

श्री रमा शंकर कौशिक: श्रीमन्, विदेशी मुद्रा के विनियमन और उसकी गड़बड़ियों को रोकने के लिए अभी तक जो अधिनियम अस्तित्व में था विदेशी मुद्रा विनियमन अधिनियम वह सक्षम अधिनियम था और है। लेकिन मुझे यह समझ में नहीं आ रहा है कि उसका नाम "फेमा" कर के एक अलग अधिनियम लाने की क्यों आवश्यकता पड़ी है, माननीय मंत्री जी बताएंगे?

श्रीमन्, दूसरी बात मैं यह कहना चाहता हूं। जैसे कि अभी माननीय मंत्री जी ने कहा कि फेमा के आने के बाद भी जो गड़बड़ियां हैं उन पर अंकुश लगाने के लिए पूरे प्रावधान होंगे। मैं माननीय मंत्री जी से यह जानना चाहता हूं कि विदेशी मुद्रा विनियमन अधिनियम में व्यवस्था थी की धारा 56 और धारा 57 के अन्तर्गत उल्लंघनकर्ताओं के खिलाफ आपराधिक मुकदमा प्रवर्तन निदेशालय चला सकता था, क्या वह धाराएं या वैसी व्यवस्था या वैसा प्रावधान "फेमा" में रखे जाने का प्रावधान है?

श्री यशवंत सिन्हा: सभापति महोदय, जो फॉरेन एक्सचेंज मेनेजमेंट बिल 1998 सरकार के द्वारा बनाया गया है, उसे मैंने दूसरे सदन में पेश कर दिया है और वह आज के दिन संसद् की जो स्टेंडिंग कमेटी है, उसके विचाराधीन है। ज़ाहिर है कि संसदीय समिति विचार करने के बाद अपने कई सुझाव सरकार के समक्ष रखेगी और जैसी प्रक्रिया है संसदीय समिति की उन सिफारिशों को हम गम्भीरतापूर्वक और ध्यान से देखेंगे और उसके बाद जो अन्तिम प्रारूप होगा, उसको हम दोनों सदनों के समक्ष लाएंगे। उस समय काफी हमारे पास समय होगा

†सभा में यह प्रश्न श्री रमा शंकर कौशिक द्वारा पूछा गया।